

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 26, 2012

CERTIFIED RETURN RECEIPT 7011 0110 0001 3568 0581

Aaron Hancock Interpace Holdings LLC P. O. Box 12118 Ogden, Utah 84112

Subject: Evaluation of Reclamation Surety, Interpace Holdings LLC, Clinton Clay Pit,

M/049/0006, Utah County, Utah

Dear Mr. Hancock:

The last reclamation cost estimate for the Clinton Clay Pit was completed in 2009 and escalated to 2013 dollars (January 31, 2013), so this cost estimate is now due for adjustment. You previously provided spreadsheets using the Division's format for calculating the cost estimate, and the spreadsheets need to be updated with current costs. Other aspects of the spreadsheets, such as earthwork and demolition volumes, should not need to be changed unless facilities or areas have been added that are not reflected in the mine plan.

Please review the mine plan to ensure it is up to date. If changes are needed please submit them as an amendment using form MR-REV which is available on the Division's web site.

For your reference and use, the escalation figures for the past few years are:

 2009
 2.9%

 2010
 1.8%

 2011
 2.9%

 Five-year average
 1.2%

Please submit the revised calculations and any needed amendments to the plan by February 15, 2013.



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Please call Wayne Western at 801-538-5263 if you have questions about the use of the spreadsheets. Questions about permitting issues should be directed to Lynn Kunzler at 801-538-5310 or to me at 801-538-5261. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Mining Program Manager

PBB:pb

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